

Approved For Release 2004/03/11 : CIA-RDP80M00165A001600030005-0

Executive Registry

1 AUG 1977

DD/A Registry

77-4353

MEMORANDUM FOR: Director of Central Intelligence

VIA : Acting Deputy Director for Administration

FROM : F. W. M. Janney
Director of Personnel

2 AUG 1977

SUBJECT : Reimbursement for Travel Costs

REFERENCE : OGC's and D/Pers' memos same subj. dtd
2 May 77 and 7 June 77 respectively

1. Action Requested: None; for information only. The following is in response to your questions regarding the reimbursement of travel costs for Summer Interns.

2. Background: On 24 August 1976, the Director of Finance requested the Office of General Counsel to examine current Agency practices regarding the payment of travel expenses for student employees involved in the Agency's Co-op and Summer Intern Programs. In their reply dated 2 May 1977 (see Tab A), OGC stated that in their opinion there is legal authority to support such payments if included in the contract as part of compensation entitlements since contract employees are not subject to the classification schedules and their rate of pay is not fixed by law or regulation. They further stated that whether the Agency should continue to provide these benefits was basically a policy question to be resolved by appropriate authorities.

3. On 7 June 1977 a memorandum was forwarded to the Deputy Director for Administration by the Director of Personnel requesting approval to continue reimbursement of travel expenses for the Agency's undergraduate Cooperative Education Program. Approval was not requested for the payment of travel expenses for the Summer Interns following the 1977 program. As you know, the Agency does not pay EOD travel expenses for its new career employees unless they fall into a specific "hard-to-find" category. We did not feel that Summer Interns could be so categorized since we have always had an extremely large group of applicants from which to make our final selection. This year, for example, 850 inquiries were received from well-qualified students for 65 Intern positions. Most of the Summer Interns are with the Agency for only one summer and their salary range is from GS-07 to GS-10 while Co-op students

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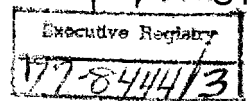
usually spend at least one year with us on alternating quarters or semesters and are paid at the GS-03 to GS-07 rate. On 10 June 1977 the Deputy Director for Administration approved the Director of Personnel's recommendations (see Tab B).

4. There are no special funds that can legally be used to reimburse students for travel costs. However, the Credit Union will make loans to Summer Interns in an amount not to exceed \$1,000 with the proviso that the entire amount be repaid prior to the termination of their contract. In most cases this would be within a three-month period.

5. The contracts signed by the students in the current program provide for the payment of travel costs. The new policy will not become effective until 1978. Since legal authority does exist to continue to reimburse Summer Interns for travel expenses if included as part of their compensation entitlement, our policy in this regard can be reversed if you so desire.

F. W. M. Janney

Attachments
As Stated



8 AUG 1977

Appears to me whole issue
is financial - & I agree with trying
to save \$ where we can. Benefit of
paying this is EEO & geographical spread -
To judge trade off I need a guess
as to annual cost - ?

(EXECUTIVE REGISTRY FILE

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OFFICE OF THE DIRECTOR

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Date: 5 August 1977

TO: The Director

FROM:

SUBJECT: Travel Payments to Summer Interns

REMARKS:

You will recall that the summer interns expressed their concern over elimination of travel payment beginning in 1978--that this would affect the racial and geographic diversity of the interns, as well as create personal hardships. You are scheduled to address all the summer interns on 18 August, and this subject may be raised in that forum, so you should be prepared to respond.

This subject was reexamined earlier this year:

--The OGC said it was legal to pay travel based upon the contract executed with the employee;

--D/Personnel proposed continuing payment of travel of co-op students, but dropping such payments for summer interns;

--This was approved by DDA--Blake.

The argument was that co-op students are paid less and are here for a quarter or semester and then go back to school and then come back again; summer interns are paid more and are usually here for only a year. Co-op students are hard-to-get types (engineers, science majors, etc.), while summer interns are more generalist and we have an abundance

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ACTION

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OFFICE OF THE DIRECTOR

Date:

TO:

-2-

FROM:

SUBJECT:

REMARKS:

In the current review per your request, D/ Personnel reviews the history, adds that there are no special funds to cover summer intern travel, but that the Credit Union will make up to \$1000 loan to be repaid before their contract terminates (three months). He notes that the 1978 contracts will NOT provide payment for travel, but since legal authority exists to put that back into the contracts, it is a policy decision which you can change if you wish.

On the pink cover sheet Blake--who approved discontinuation in his capacity as DDA--~~xxx~~ recommends that you leave it as it is, NOT pay their travel beginning in 1978.

In asking the OGC for a ruling earlier, D/ Personnel evidently cited the equal opportunity advantages of these travel payments--a point the summer interns with whom you met made. In short, you can legally decide either way what goes into the contract:

_____ Restore payment of travel; or
_____ Approve dropping travel payments in 1978.

The summer interns are sure to ask about this when you address them 18 August, plus this will provide you a forum to communicate your decision to them.

ACTION